

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (DR. MAHESH SHARMA) : (a) For expansion of Jodhpur Civil Enclave, the Airports Authority of India (AAI) has requested 60 acres of land from Indian Air Force (IAF), Ministry of Defence. IAF has agreed to hand over 37 acres of land subject to the condition that equal area of land be transferred by State Government to IAF.

The new Jaisalmer Civil Enclave has been developed by AAI with a new Passenger Terminal Building capable of handling 400 peak hour passengers, an apron to park three AB-321 type aircraft and associated infrastructure in February, 2013.

At Bikaner Civil Enclave, a Passenger Terminal Building has been constructed on an area of 900 sqm; capable of handling 100 peak hour passengers and an apron to park two ATR - 72. The Terminal Building has been inaugurated in June, 2014.

(b) and (c) No, Sir. The Indian carriers are free to operate anywhere in the country subject to compliance of route dispersal guidelines issued by Government. However, it is upto the airlines to provide air services to specific places depending upon the traffic demand and commercial viability.

Revival plan of Air India

439. DR. K. V.P. RAMACHANDRA RAO : Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government has chalked out a time-bound revival plan for the national carrier;

(b) whether Government considers Air India as a hopeless case; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (DR. MAHESH SHARMA): (a) Yes, Sir. Post merger of erstwhile Air India and Indian Airlines, the merged entity, Air India Limited suffered huge losses for the years 2007-08 to 2010-11. Government took cognizance of the deteriorating financial position of Air India and directed it to come up with a Turn Around Plan (TAP) with the aim of improving the operational and financial performance of the company. Air India came up with a proposal for equity induction by the Government and a Business and Financial Restructuring Plan (FRP) in consultation with SBI caps. The TAP/FRP was examined by

the Group of Ministers (GoM) and Group of Officers (GoO), and subsequently approved by the Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 12th April 2012. The TAP/FRP envisages the following:

1. Induction of equity into AI for the following purposes, and period:
 - (i) Upfront equity of ₹ 6750 cr.in FY 2011-12 .
 - (ii) Equity for Cash deficit support of ₹ 4,552 crore till FY 2017-18
 - (iii) Equity for guaranteed aircraft loan till FY 2021 of ₹ 18,929crs .
 - (iv) For GOI guaranteed Non-Convertible Debentures (NCDs), an amount of ₹ 11,951 crs. towards interest and ₹ 7400 crs. towards principal.
2. The TAP/FRP also provides that equity would be infused subject to achievement of certain laid down milestones. Some of the milestones laid down under TAP/FRP relate to improvement in On Time Performance (OTP), Passenger Load Factor (PLF), Yield (Rs/PKM), Fleet Utilization, abolition of Productivity Linked Incentive, monetisation of assets, hiving off of the Ground handling activity and Maintenance/repair activity of Air India into two independent subsidiary companies.
3. In compliance with the CCEA approval, an Oversight Committee has been set up under the Chairmanship of Secretary, Ministry of Civil Aviation with Expenditure Secretary, Additional Secretary and Financial Adviser, Ministry of Civil Aviation, Joint Secretary of Ministry of Civil Aviation and State Bank of India (SBI) Caps as members, to monitor the Operational and Financial Performance of Air India *vis-a-vis* the milestones set. Regular meetings of the Oversight Committee are held every three months. So far, ten meetings of Oversight Committee have been held. Till date equity of ₹ 18980 crores has been infused by the Government into Air India.

(b) and (c) No, Sir. The Company has achieved the Targets set out in the TAP milestones, and has made substantial progress in both Operational as well as Financial Areas. The main areas in which the company has registered improvements in FY 2013-14 in comparison to FY 2010-11 when the TAP was initiated are as follows:

1. Improvement in Operational Performance:
 - (i) The company has shown considerable improvement in the On Time Performance. The overall Network On Time Performance (OTP) achieved during 2013-14 is 77.9%.

- (ii) The Passenger Load Factor has improved to 73.3% from 66.1 % in 2010-11.
- (iii) The Network Yield achieved is ₹ 4.25/RPKM as against Rs 3.46/RPKM in 2010-11.
- (iv) The number of Revenue Pax has increased from 12.78 Million in 2010-11 to 15.43 Million in 2013-14.

2. Improvements in Financial Performance:

- (i) The Operating Losses consistently reduced since merger and in 2013-14 the same stand at ₹ 3977. 89 crores as compared to ₹ 4021.52 crores in 2010-11.
- (ii) The Net Loss during 2013-14 is ₹ 6279.60crores as against loss of ₹ 6865 crores in 2010-11.
- (iii) The Company has turned EBIDTA positive by ₹ 256.21 crores as against the negative EBIDTA of ₹ 1659crores in 2010-11.
- (iv) Total Revenue as increased by ₹ 4838.38 crores i.e. 34% as compared to levels of 2010-11. The Total Revenue during 2013-14 is ₹ 19093.49 crores as against ₹ 14255 crores in 2010-11.

Non-utilisation of bilateral entitlements by Indian carriers

440. SHRIMATI WANSUK SYIEM : Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether data on foreign bilateral utilisation compiled by Government shows that foreign carriers offer 4,32,456 seats a week for Indian passengers, compared to 2,42,365 seats offered by Indian carriers;

(b) whether low utilisation of seats allotted to Indian carriers which is about 57 per cent is due to outdated anticompetition laws like the 5/20 rule; and

(c) whether Indian carriers are not using bilateral entitlements with about 70 out of 109 countries falling under bilateral tie-ups?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (DR. MAHESH SHARMA) : (a) Yes Sir.